

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

Thayer, IA Post Office
Thayer, Iowa

Docket No. A2011-37

**UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL**
(September 22, 2011)

On June 20, 2011, the United States Postal Service (“USPS” or “Postal Service”) posted its “Final Determination to Close the Thayer, IA Post Office and Establish Service by Rural Route Service” (“Final Determination” or “FD”). Item No. 49.¹ In this docket, Mr. Mike Tonelli (“Petitioner”) appeals the Postal Service’s Final Determination.² For the reasons set forth in these Comments, the Postal Service submits that it has complied with its statutory obligations under 39 U.S.C. § 404(d) as reflected in the Final Determination. The Postal Service further submits (1) that its decision is in accordance with the law and is supported by substantial record evidence, and (2) that the Postal Service observed procedure required by law. Therefore, the Postal Service respectfully requests that the Postal Regulatory Commission (“Commission”) affirm the Final Determination.³

¹ In these Comments, specific items in the Administrative Record filed by the Postal Service on August 15, 2011, are referred to as “Item No. ____.”

² Appeal Letter postmarked July 20, 2011.

³ The procedural history to this appeal appears below the “Background” section.

Background

The Administrative Record ("AR") filed by the Postal Service on August 15, 2011, shows that the Thayer Post Office in Thayer, Iowa (50254), provides EAS-53 level service to 16 Post Office Box customers. Item No. 1, Request/Approval to Study for Discontinuance; Item No. 8, PS Form 150, Postmaster Workload Information, at 1; Item No. 33, Proposal to Close the Thayer, IA Post Office and Establish Service by Rural Route Service ("Proposal"), at 2; FD at 2. The office provides window service from 9:00 a.m. to 1:30 p.m., Monday through Friday, and from 10 a.m. to 11:30 a.m. on Saturdays. Item No. 15, Post Office Survey Sheet, at 1; Proposal at 2; FD at 2. The Thayer Post Office lobby is open from 9:00 a.m. to 1:30 p.m., Monday through Friday, and from 10 a.m. to 11:30 a.m. on Saturday. Item No. 15 at 1; Proposal at 2; FD at 2. Carrier service is not provided by the Thayer Post Office. Item No. 18 at 1; Proposal at 2; FD at 2.

On average, there are approximately two (2) retail window transactions at the Thayer Post Office per day and these transactions account for approximately two (2) minutes of retail workload daily. Item No. 10, Window Transaction Record; Proposal at 2; FD at 2. Revenue has generally been minimal: \$5,973.00 in FY 2008 (16 revenue units); \$5,203.00 in FY 2009 (14 revenue units); and \$4,810.00 in FY 2010 (13 revenue units). Item 18, Form 4920, Post Office Closing or Consolidation Proposal – Fact Sheet, at 1; Proposal at 2; FD at 2. The Thayer Post Office has no permit mailers or postage meter customers. Item No. 15 at 1; Proposal at 2; FD at 2.

Upon implementation of the Final Determination, delivery and retail services will be provided by rural route service under the administrative responsibility of the Afton Post Office. Proposal at 2; FD at 2. The Afton Post Office is located approximately nine (9) miles away from the Thayer Post Office. Proposal at 2; FD at 2. The Afton Post Office is an EAS-16 level office that provides window service between 8:30 a.m. and 4:30 p.m. Monday through Friday, and between 8:30 a.m. and 9:30 a.m. on Saturday. Item No. 18, Post Office Closing or Consolidation Proposal ("Fact Sheet"), at 1; Proposal at 2; FD at 2. Post Office Box fees will be the same except that current no fee box holders will have an increase in box rent if PO Box service is continued in another office. Item No. 15 at 2; Item No. 21 at 1. The Afton Post Office lobby is accessible 24 hours Monday through Saturday. Item 18 at 1. There are 104 Post Office Boxes available at the Afton Post Office. Item 18 at 1; Proposal at 2; FD at 2.

Retail service is also available at the Murray Post Office. Proposal at 2; FD at 2. The Murray Post Office is located approximately seven (7) miles away from the Thayer Post Office. Proposal at 2; FD at 2. The Murray Post Office is an EAS-13 level office that provides window service between 8:30 a.m. and 3:45 p.m. Monday through Friday, and between 8:30 a.m. and 10:00 a.m. on Saturday. Item No. 18 at 1; Proposal at 2; FD at 2. The Murray Post Office lobby is accessible 24 hours Monday through Friday and from 12 a.m. through 3 p.m. on Saturday. Item 18 at 1. There are 148 Post Office Boxes available at the Murray Post Office. Item 18 at 1; Proposal at 2; FD at 2.

The postmaster of the Thayer Post Office retired on August 3, 1993. Item No. 1 at 1; Proposal at 2; FD at 2. The record indicates that a temporary officer-in-charge

(OIC) has been installed to operate the office. In light of the postmaster vacancy, minimal workload,⁴ declining office revenue,⁵ the existence of alternative delivery and retail options,⁶ no expected growth in the area,⁷ minimal impact upon the community and employees,⁸ and the expected financial savings,⁹ the Postal Service issued the FD.

The Postal Service followed the proper procedures prior to the issuance of the Final Determination and complied with all notice requirements. In addition to the posting of the Proposal and FD, customers received notice through other means. Questionnaires were distributed to customers of the Thayer Post Office. Item No. 20, Questionnaire Instruction Letter to Postmaster/OIC, at 1; Item 23, Postal Service Customer Questionnaire Analysis, at 1; Proposal at 2; FD at 2. A letter from the Manager, Post Office Operations, Des Moines, IA, stating that the Postal Service was considering closing the Thayer Post Office and providing postal services via rural carrier, was also made available to Thayer customers. Item No. 21, Letter to Customer, at 1. The letter invited customers to complete and return a customer questionnaire and to express their opinions about the possible change. Id. The returned customer questionnaires and Postal Service response letters appear in the AR as Item No. 22.

Representatives from the Postal Service were available for a community meeting at the Thayer City Hall on Wednesday, February 9th, 2011, to answer questions and

⁴ Item No. 1 at 1.

⁵ Item 18 at 1; Proposal at 2; FD at 2;.

⁶ Proposal at 2; FD at 2.

⁷ Item No. 16 at 1; Proposal at 3.

⁸ Proposal at 3-4; FD at 4-5.

⁹ Item No. 17, Alternate Service Options/Cost Analysis; Item No. 29, Proposal Checklist, at 2; Proposal at 4; FD at 5.

provide information to customers. Item No. 21 at 1; Item No. 24, Community Meeting Roster; Item No. 25, Community Meeting Analysis, at 1; Proposal at 2; FD at 2.

Customers received formal notice of the Proposal and FD through postings at affected facilities. The Proposal was posted with an invitation for public comment at the Thayer and Afton Post Offices. Item No. 36, Round-date Stamped Proposal and Invitation for Comments from Affected Offices; Item No. 37, Notification of Taking Proposal and Comments Under Internal Consideration. The FD was posted at the same two Post Offices starting on June 20, 2011, as confirmed by the round-dated FD cover sheets that appear in the AR.¹⁰ Item No. 49.

Procedural History in Docket No. A2011-37

On July 29, 2011, the Commission received a petition for review (“Petition”) dated July 25, 2011, and postmarked July 20, 2011, appealing the determination of the Postal Service to close the Thayer Post Office. On August 2, 2011, the Commission issued Order No. 788, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). On August 15, 2011, the Postal Service filed the Administrative Record (AR) with the Commission. The Commission received no notices of intervention.¹¹ Petitioner did not file an initial brief in support of the Petition.

¹⁰ The FD was also posted at the Murray Post Office. Item No. 49.

¹¹ On September 1, 2011, the Commission received and docketed a letter from Mary Leach. Ms. Leach’s letter apparently refers to a Post Office in Thayer, Indiana, not Thayer, Iowa, and is therefore not material to the appeal in this docket. Regardless, Ms. Leach’s concern regarding access to Postal Services is addressed in the section titled “Effect on Postal Services” below.

Petitioner raises a concern regarding the effect of the closing of the Thayer Post Office on postal services provided to the community. As reflected in the AR, the Postal Service gave this issue serious consideration prior to the issuance of the FD. Consistent with the Postal Service's statutory obligations and Commission precedent,¹² the Postal Service also gave consideration to other issues not raised by Petitioner, including (1) the impact of the closing on the community served by the Thayer Post Office, (2) the economic savings expected to result from closing the Post Office, and (3) the impact of the closing on postal employees. For the reasons set forth below, the determination to close the Thayer Post Office should be affirmed.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the AR, the Postal Service considered the effect of closing the Thayer Post Office on postal services provided to customers. The Thayer Post Office currently provides EAS-53 level service to 16 Post Office Box customers and no carrier delivery customers. Item No. 1; Item No. 8; Item No. 18 at 1; FD at 2. The office has approximately two (2) daily retail window transactions which account for two (2) minutes of retail workload daily. Item No. 10, Window Transaction Survey; Proposal at 2; FD at 2. The closing of the Thayer Post Office is premised upon continuing to provide regular and effective postal services to Thayer customers.

Petitioner raises a concern about the convenience of Postal Services upon the closure of the Thayer Post Office. Petitioner's concern has been addressed by the

¹² See 39 U.S.C. 404(d)(2)(A).

Postal Service. Upon the implementation of the Final Determination, delivery and retail services, including the delivery of accountable items and large packages, will be provided by a rural carrier under the administrative responsibility of the Afton Post Office. Proposal at 2, Concern No. 3; FD at 2, Concern No. 3. Customers will be able to obtain stamps, money orders, and special services such as certified, registered, Express Mail, delivery confirmation, signature confirmation, and COD through the rural carrier. Item No. 21 at 5; Proposal at 3; Final Determination at 3. In fact, customer convenience may be enhanced upon implementation of the FD because the provision of rural carrier service will alleviate the need for customers to travel to the Post Office for retail services and will provide them with 24-hour access to their mail. Proposal at 3; FD at 3. Accordingly, the Postal Service considered the effect of closing the Thayer Post Office on postal services provided to customers served by that office. 39 U.S.C. § 404(d)(2)(A)(iii).

Effect on the Thayer Community

The Postal Service is obligated to consider the effect of its decision to close the Thayer Post Office upon the Thayer community. 39 U.S.C. § 404(d)(2)(A)(i). As information, Thayer, Iowa, is an incorporated community that is located in Union County, IA. Item No. 16, Community Survey Sheet, at 1; Proposal at 3; FD at 3. Police protection is provided by the Union County Sheriff and fire protection is provided by the Murray and Lorimar Fire Departments. Item No. 16 at 1; Proposal at 3; FD at 4. The community is comprised of retired people, farmers, and those who commute to work at

nearby communities and work in local businesses. Item No. 16 at 1; Proposal at 3; FD at 4.

While the primary purpose of the Postal Service is to provide postal services, Title 39 U.S. Code and postal regulations recognize the substantial role in community affairs often played by local Post Offices and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office. The issue of the effect of the closing of the Thayer Post Office upon the Thayer community was considered by the Postal Service, as reflected in the AR. Item No. 16 at 1; Item No. 29 at 1; Proposal at 3; FD at 4. The regular and effective postal services required by communities generally will continue to be provided to the Thayer community. Proposal at 3; FD at 4. Carrier service is expected to be able to accommodate any future growth in the community. Proposal at 3; FD at 3. Additionally, the Postal Service informed customers of the Thayer Post Office that they would be able to continue using their city name and ZIP Code in their mailing addresses. Item No. 21; Proposal at 3; Final Determination at 3. The Postal Service has further concluded that nonpostal services provided by the Thayer Post Office can be provided by the Afton Post Office. Proposal at 3; FD at 4. Government forms usually provided by the Thayer Post Office are also available at the Afton Post Office or by contacting local government agencies. Proposal at 3; FD at 4. The Postal Service submits that it has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Thayer Post Office on the community served by that facility. Proposal at 3; FD at 4.

Economic Savings

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv), the Postal Service considered economic factors when determining to close the Thayer Post Office. Proposal at 4; FD at 5. The estimated annual savings associated with discontinuing the Thayer Post Office and providing rural route replacement service out of the Afton Post Office are \$21,559.00. Proposal at 4; FD at 5. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

As documented in the record, the impact of the closing on postal employees is minimal. The postmaster retired on August 3, 1993, and temporary officer-in-charge (OIC) has been installed to operate the Thayer Post Office. The record shows that no other employee would be affected by this closing. Item No. 15 at 1; Proposal at 4; FD at 5. Accordingly, the record demonstrates that the Postal Service considered the effect of the closing on the employees at the Thayer Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Conclusion

As reflected throughout the AR, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Thayer Post Office on the provision of postal services and on the Thayer community, as well as the economic

savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. Additionally, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Thayer customers. FD at 5. The Postal Service respectfully submits that this conclusion is consistent with and supported by the Administrative Record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). Accordingly, the Postal Service respectfully requests that the Final Determination to close the Thayer Post Office be affirmed.

Respectfully submitted,

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